EXECUTIVE NOTE

THE LOCAL GOVERNANCE (SCOTLAND) ACT 2004 (ALLOWANCES AND EXPENSES) REGULATIONS 2007

The above instrument was made in exercise of the powers conferred by Sections 11 and 16 of the Local Governance (Scotland) Act 2004, section 50 of the Local Government (Scotland) Act 1973, and section 18 of the Local Government and Housing Act 1989. The instrument is subject to draft affirmative resolution procedure.

Policy Objectives

The purpose of the instrument is to abolish the various flat rate allowances and travel expenses that councillors currently receive, regardless of whether any expenses have been actually incurred, and to require expenses properly incurred for approved duties are reimbursed upon production of a receipt. This structure follows on the recommendations from the Scottish Local Authorities Remuneration Committee (SLARC), as part of the package of measures being introduced for the 2007 local government elections. Current allowances and travel expenses are paid under Sections 46 to 49 of the Local Government (Scotland) Act 1973. This instrument amends these provisions to disapply sections 46, 47 and 49 of the 1973 Act to local authorities, and make a required amendment to section 48 of that Act to cater for this policy. It also repeals Section 4(8) of the Local Government etc (Scotland) Act 1994, which permits local authorities to pay an allowance to their convener or deputy convener. The availability of such allowance and reimbursement of expenses is provided for in these new regulations.

The Local Governance (S) Act 2004 enables regulations to make provision for the payment by local authorities of allowances and reimbursement of expenses to their members, and provides for the modification of any enactment as a consequence of such regulations.

The instrument outlines the various conditions and maximum amounts which apply for reimbursement of expenditure incurred by local authority members in carrying out their approved duties, and sets rates for mileage allowances. This instrument proposes maximum annual amounts which can be paid to Civic Heads to reimburse them for any receipted expenditure they incur to enable them to carry out their civic duties, in addition to payments which may be made to them as council members for reimbursement of expenses, or travel mileage allowance. It also requires local authorities to use a standard form for claims for expenses and allowances, and to publish specified information in relation to payment of expenses to councillors on their website (by 1 June each year), to make such information available for inspection at local authority premises on request from a member of the public, and in any other such manner as the authority thinks fit.

The instrument amends the Local Authorities Etc (Allowances) (Scotland) Regulations 1995 to disapply local authorities from the provisions in those Regulations (which relate to both local authorities and other bodies) for schemes for attendance allowance, and claims for travel and subsistence allowances. These provisions are replaced by the new arrangements.

Consultation

The following bodies have been consulted on a draft of the instrument in accordance with the requirements of Section 11(4) of the Local Governance (Scotland) Act 2004.

The Scottish Local Authorities Remuneration Committee

The following organisations were also consulted

Convention of Scottish Local Authorities
Society of Local Authority Chief Executives and Senior Managers
National Association of Councillors
Standards Commission for Scotland
Society of Local Authority Lawyers and Administrators in Scotland
Central Scotland Joint Police and Fire Boards
Dumfries and Galloway Council
Fife Council
Grampian Joint Police Board
Grampian Fire Board
Highlands and Islands Fire Board
Lothian and Borders Joint Police and Fire Boards
Northern Joint Police Board
Strathclyde Joint Police Board
Strathclyde Fire and Rescue Board
Tayside Joint Police Board
Tayside Fire and Rescue Board

Financial Effects

The instrument will have financial saving for Local Government of approximately £0.5m.

Scottish Executive Finance and Central Services Department
February 2007